

International Cooperative Trade in South-East Asia

M. V. MADANE



INTERNATIONAL COOPERATIVE ALLIANCE
Science and Education Centre for South-East Asia
Friends Colony, New Delhi-110-014

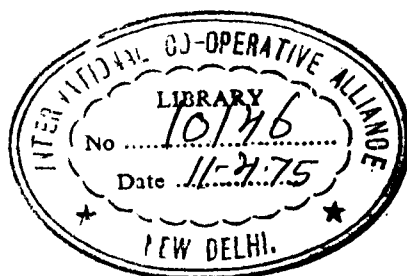
334.025.5:382(5)

ICA Library
334.025.5:382(5)
ICA 00237

International Cooperative Trade in South-East Asia

M. V. MADANE

Joint Director (Technical Assistance and Trade)



INTERNATIONAL COOPERATIVE ALLIANCE

Regional Office & Education Centre for South-East Asia

43, Friends' Colony, New Delhi-110-014

INTERNATIONAL COÖPERATIVE ALLIANCE

Headquarters : 11 Upper Grosvenor Street,
LONDON W1X 9PA (England)

PRICE : Indian Rs. 3.00

Copies : 500

September 1973

Printed in India
at the New India Press,
K-Block, C. Circus,
New Delhi.

For the Publications & Public Relations Section of the ICA Regional
Office & Education Centre for South-East Asia, 43, Friends' Colony,
New Delhi. 110-014. India.

CONTENTS	PAGE
PART I	
INTRODUCTION	1
Trading by Cooperatives	1
Joint Buying and Selling	4
Aided Trade Agreements	5
Benefits of Trade Across National boundaries	9
Problems in respect of Cooperative Trade of De- veloping Countries	10
Line of Future Action by Developing Countries	13
Line of Future Action by Developed Countries	15
Action by International Organisations	16
Recommendations to the ICA by various conferences and meetings on the promotion of Cooperative Trade	16
Recent Developments	17
PART II	
PRESENT POSITION IN REGIONAL COUNTRIES	
Australia	19
Bangladesh	22
India	22
Indonesia	24
Iran	25
Japan	26
Republic of Korea	27
Malaysia	28
Philippines	29
Sri Lanka	30
Thailand	31
PART III	
STATISTICAL TABLES	32-43.

PREFACE

The present paper has been prepared as a part of the follow-up action initiated by ICA on the resolution concerning development of cooperative trade passed at the ICA Congress held at Hamburg in 1969. The resolution, among other things, called upon the ICA to "develop a general report on the trade taking place between cooperatives in the various countries and between countries".

The Regional Office in New Delhi has been actively engaged in the promotion of inter-cooperative trade since the publication of the Study entitled "Trading of Cooperatives—South-East Asia" made by Mr. Walter Eisenberg in 1965-66 at the instance of the ICA. Since then many important developments in the field of trade have taken place in the Region including the appointment of a Working Group for Trade Promotion, as a sub-group of the ICA Sub-Committee for Agriculture and Trade for South-East Asia. A proposal for the establishment of an International Cooperative Trading Company in Singapore is also being considered by the Sub-Committee.

In the context of the increasing interest shown by cooperatives of the Region in the promotion of inter-cooperative trade, I trust that the present paper will be useful to those interested in the trade relations that exist between cooperatives within and outside the South-East Asian Region and that it will help them to assess the possibilities of expanding international cooperative trade in the future.

P.E. Weeraman
ICA Regional Director for
South-East Asia

New Delhi,
August 28, 1973.

International Cooperative Trade in South-East Asia

INTRODUCTION

The paper deals with the subject of international cooperative trade in three parts. Part one deals with the present situation concerning cooperative trade by the Regional countries including Australia while part two states the situation in respective countries including the statistics in respect of foreign trade by cooperatives. Part III contains statistical statements relating to cooperative foreign trade in the Regional countries.

Trading by Cooperatives

2. Imports and exports by cooperatives form a very small portion of the total foreign trade of the countries of South-East Asia. Most of the imports and exports by cooperatives have been in the past through private traders already established in international trade except in a few countries such as Australia, New Zealand and Japan. Almost all Australian exports of wheat and dried fruits are handled by or through cooperatives. A large proportion of Australian exports of fresh and canned fruits and dairy products are supplied by cooperatives. In the field of imports, cooperatives also account for a sizeable percentage of a limited number of commodities. For instance, ZEN-NOH, the National Federation of Agricultural Cooperative

Note: Data concerning regional countries has been compiled by Mr. M. Kasaoka, Marketing Specialist, and Mr. Jai Prakash, Assistant (TA &T) at the Regional office.

Associations of Japan, accounts for about one-third of the total national imports of Rock Phosphate and maize into Japan.

3. In some countries, cooperatives export or import through government marketing boards or state trading corporations. In New Zealand, for example, the dairy cooperatives export through the New Zealand Dairy Board. In India, the leather footwear manufacturing cooperatives export through the State Trading Corporation of India. The National Agricultural Cooperative Marketing Federation of India has been granted monopoly rights by the State Trading Corporation of India for the export of pulses to Sri Lanka, U.K., and Mauritius. The Federation has also imported fertilizers, seeds and other farm requisites through the State Trading Corporation of India.

4. In a few countries, cooperatives are given monopoly rights for the export of certain commodities. The Jalgaon District Fruit Sale Societies' Cooperative Marketing Federation and the Gujarat State Fruit and Vegetable Marketing Federation in India are the main exporters of bananas from Maharashtra and Gujarat States respectively. In Sri Lanka, the Northern Province Fishermen's Cooperative Societies Union has been granted monopoly in the export of beche-de-mer (sea-slugs) and conch-shells. This Society also exported conch-shells to the West Bengal Industrial Corporation in Calcutta (India). The copra cooperatives in Indonesia export large quantities of copra to Japan, Singapore; U.S.A., U.K., Holland, West Germany, Belgium and Denmark.

Inter-Cooperative Trade

5. International trading between two cooperatives is much more limited than international trading by cooperatives as a whole. Trade between the Cooperative Wholesale Society of England and the New Zealand Dairy Cooperatives dates back to 1921 and is conducted through the New Zealand Produce Association, London. In Australia and New Zealand, the agricultural producers' cooperative wholesale federations do a considerable amount of trade in U.K. through the Overseas Farmers' Cooperative Federation Limited, London. In the Philippines, the Central Cooperative Exchange, Inc. imported during 1965 fertilizers

from Japan, jute bags from India and hand-operated sprayers from Japan. Efforts are being made by the Central Co-operative Exchange to export tobacco and copra to European countries.

6. The Japan Co-operative Trading Company (which is the foreign trade wing of consumer cooperatives in Japan) does considerable amount of trade with the Soviet consumers' organisation "Centrosoyus". Under a barter trade agreement between POLCOOP of Poland and the Japan Co-operative Trading Company, the latter occasionally imports Horse Meat into Japan. ZEN-NOH exports canned oranges to Nordisk Andelsforbund (NAF, the Scandinavian Co-operative Wholesale Society), and the G.E.G. in West Germany. UNICOOPJAPAN (foreign trade wing of agricultural cooperatives in Japan) does considerable amount of trade with cooperatives in Thailand, the Republic of Korea, U.S.S.R., Czechoslovakia, Argentina and Peru. Early in 1970, a contract was signed between UNICOOP-JAPAN and NAFED in India for export of feedstuff raw material to Japan. The Sydney Depot of the Co-operative Wholesale Society exports canned fruits to cooperatives in West Germany, Iceland and Sweden.

7. The ICA Regional Office has during recent years undertaken a Survey of Co-operative Agricultural Marketing Projects in South-East Asia. The Study Team appointed for conducting the First Part of the Survey in India and Indonesia also visited Australia as a Trade Promotion Team. We understand that as a result of the visit of *ICA Team* to Australia *A \$ 5 million* worth of raw materials for feedstuff manufacture have been *exported* by Australian cooperatives to cooperatives in Japan.

8. A brief account of the trade by cooperatives in the respective countries is given in part II of this paper.

Trade between Europe and South-East Asia

9. A few co-operative wholesale organisations in the Region import consumer articles from Europe. However, direct imports by consumers' co-operative organisations in South-East Asia from the production departments of European Co-operative Wholesale Societies are not significant. The Philippine Federation of Consumers' Cooperatives (now named as Filipino Coope-

rative Wholesale Society, Inc.) imports canned fish, meat and fruits, dairy products etc., for consumer cooperatives from the U.S.A., Australia, New Zealand, Holland, Denmark, Argentina and Japan. Its annual imports amount to US \$200,000. From the same countries, it imports woodcraft machines and tools, shoe-making machines, chemicals, leather and rubberised canvas, radio and T.V. parts for service and for industrial cooperatives at an yearly average of US \$400,000. The European Cooperative Wholesale Societies import substantial quantities of commodities available in the Region, but unfortunately very rarely from the cooperatives. For instance, the Nordisk Andelsforbund imports fresh, dried and canned fruits, rice, coffee and other commodities from South-East Asia. In July 1966, a delegation from the Cooperative Wholesale Committee bought £60,000 worth of knitwear in Hong Kong on behalf of cooperatives in Britain and West Germany, and £200,000 worth of knitwear in the Republic of Korea on behalf of consumers' cooperatives in Sweden, West Germany and Switzerland. All these purchases were made from private suppliers.

Joint Buying and Selling

10. There is hardly any activity by cooperatives in the Region for collective buying and selling in the manner in which the Scandinavian Cooperative Wholesale Society operates for its affiliates. The only example is that of Australia and New Zealand cooperatives doing some of their imports and exports through the Overseas Farmers' Cooperative Federations Limited which is based in London. However, there is considerable buying and selling activities by a number of national and provincial federations on behalf of their members. Examples of this type of organisations can be found in all countries of the Region. For example, the Murray River Wholesale Cooperative in South-Australia, the National Agricultural Cooperative Marketing Federation in India, the National Agricultural Cooperative Federation in the Republic of Korea, the UNICOOP in Japan, the Cooperative Agency Society in Malaysia, the Central Cooperative Exchange in the Philippines and the National Marketing and Purchasing Federation in Thailand, all make joint purchases of supplies for their members and some of them undertake exports of the products supplied by the regional affiliates.

There is no joint buying and selling activity by cooperatives belonging to more than one country in the Region:

Aided Trade Agreements

11. With initiative taken by the Agricultural Cooperative Movement of Japan, it has been possible to develop two aided trade agreements among the regional countries. Both these agreements are related to the production and export of maize.

Japan-Thailand Maize Project

12. With the development of stock breeding in Japan, the import of raw material for feedstuff has been continuously on the increase. Since 1959, maize from Thailand has been considered as an important source of raw material only next to the U.S.A. In the beginning the import of Thai maize was handled exclusively by private trading enterprises on both sides without any agreements on standardization of quality. However, the unending disputes in connection with change in quality, shortage in weight and so on were common with the result that not only trading companies but also consumers of these items suffered from heavy losses. Also, speculation and monopoly tendencies in maize export became more evident. In addition, the incidence of non-fulfilment of contracts due to price fluctuations in the international market became a serious problem between the two countries.

13. The idea of a trade relationship between the two movements was mooted during the informal discussions at the First Asian Agricultural Cooperative Conference and this was followed up by the visits of several teams of Japanese experts to Thailand with a view to explore possibilities of maize export. As a result of further discussions, the Bangkok Cooperative Farm Product Marketing Society (COPRODUCT) undertook responsibility for export of maize under the guidance of officials of the Department of Cooperation in the Ministry of National Development of Thailand and from the Japanese side, ZEN-NOH, the Central Cooperative Bank for Agriculture and Forestry and UNICOOP-JAPAN agreed to provide assistance to Thai cooperatives. During the Second Asian Agricultural Cooperative Conference, also held in Tokyo, an agreement was reached to establish a Joint Committee for the Promotion of Cooperative Trade between

Thailand and Japan and the first meeting of this Committee was held in Bangkok in 1965. Since then, the Joint Committee has met every year alternatively in Japan and Thailand. It discusses export of maize and other items from Thailand including the requirements for funds by Thai cooperatives, supply of agricultural requisites and the training of trade personnel. A Memorandum is invariably drawn up and signed by both the parties at the end of each session. At present, the export of maize and project-work is coordinated by the Cooperative Marketing and Purchasing Federation of Thailand (CMPF).

Colombo Plan Expert from Japan

14. While continuing its efforts in increasing productivity, the CMPF is devoting considerable attention to the increase of the income to the farmers. For assisting CMPF in this effort, the Japanese Cooperative Movement provided to Thai cooperatives an expert in Farm and Marketing Management through the Colombo Plan.

15. Finance has been one of the difficult problems faced by the Thai cooperatives in the collection of maize for export. The Government of Thailand has been assisting CMPF in obtaining purchasing funds. However, with the increase of export quantities, it is not always possible for CMPF to obtain adequate finance. For example, for collecting 60,000 M/tons of maize, about 15 million Bahts* are required as capital from the cooperatives. With a view to minimising this difficulty, the Japanese cooperatives make available, sufficiently in advance, a Packing Letter of Credit through which advances are obtained by CMPF for payments to farmers for maize collection.

Joint Venture in Agricultural Chemicals

16. The cooperatives in Thailand face a very severe competition from private traders in collecting maize from the farmers. However, through the education of the members and through the supply of needed agricultural requisites, efforts are being made to convince the farmers of the benefits they can obtain through marketing cooperatives. As a result of an agreement reached between the Thai and the Japanese cooperators, a joint venture

* 1 US Dollar = 20 Bahts.

for the manufacture of agricultural chemicals in Thailand has been established. The chemical factory is known as T.J. Chemicals Co. Limited and the total investments, excluding the price of the land, are around 5 million Bahts (about US \$ 250,000). Fifty-one per cent of the shares are held by CMPF and 49 per cent by UNICOOPJAPAN and the Kumiai Chemical Industry Co. Limited. The factory is located near the Paknam Warehouse in Bangkok, and is supplying agricultural chemicals to farmers through the cooperatives in Thailand. The chemical plant started production in June 1971.

17. The maize exported to Japan is handled through the Paknam Warehouse at Bangkok harbour. Occasionally, the loading and unloading facilities owned by the Bangkok Drying and Silo Co., are used for the maize operations.

Display Facilities at Bangkok

18. Another area in which very encouraging developments have taken place is the export by UNICOOPJAPAN of farm and household products such as tractors, agricultural chemicals and consumer articles for distribution among the Thai farmers. The Thai cooperatives have built a show room in Bangkok to display the goods imported from UNICOOPJAPAN. A mutuality of interest has thus been established between the two cooperative movements.

19. Apart from the export of maize, efforts are also being made to discuss in the Joint Committee the possibilities of export of rice from Thailand to other countries and the Hong Kong Branch of ZEN-NOH has agreed to assist the Thai cooperatives in this transaction. Smaller quantities of other agricultural products such as black matpe, kenaf and sorghum are also being exported through the CMPF.

Training in Japan

20. Both the Thai and the Japanese cooperators believe that it will not be possible for them to achieve success in their joint ventures unless simultaneous efforts are made for the education of farmers and the training of trade personnel. While the Thai cooperatives are endeavouring to educate the farmers, the Japanese cooperatives have provided facilities for the training of Thai personnel working for the export of maize. Almost every

year, a batch of Thai cooperative personnel is sent for training to the Institute for the Development of Agricultural Cooperation in Asia (IDACA) in Tokyo.

Maize Project in East Java, Indonesia

21. Since independence in 1949, the export of essential food items had been prohibited by the Government of Indonesia. In 1966 this restriction was lifted and for the first time 23,560 tons of maize was exported from Indonesia through private trading companies. Even at present, the export of maize from Indonesia is almost a monopoly of private trading agencies. During 1970, 225,000 tons of maize was exported from this country. However, in spite of the increase in production and exports, the position of farmers in Indonesia is far from satisfactory because the bulk of their surplus goes into the pockets of the middlemen.

22. To cope with this problem, a series of measures for increasing agricultural production, and thereby improving the economic condition of the peasants, have been adopted by the Government of Indonesia. As a part of this overall strategy, the Government of Indonesia launched in 1968 a development project in East Java province. This province had already been producing one-third of the total maize produced on the Island of Java. The Indonesian Government later secured assistance for the project from the Japanese Government in the form of the services of a team of five Japanese experts, and a grant of \$80,000 for three consecutive years (starting from 1968) through the Overseas Technical Cooperation Agency of Japan (OTCA) and within the framework of the Colombo Plan assistance programmes. The project areas have been selected in the districts of Kedizi, Malang, Humadjang and Banjuwangi.

Contact through Cooperatives

23. The project enters into contracts with maize growers in the selected project-areas, who are willing to undertake production and supply in keeping with the terms and conditions laid down in the contract. The project is assisted in its operation by the cooperative societies thereby facilitating dealings with growers rather than with individuals. On the Japanese side ZEN-NOH is associated with the project as the buyer of maize.

It has also provided an expert to work with the cooperatives in the project areas.

24. With the application of fertilizers and improved methods, the production of maize has increased from 0.8 to 2.5 tons per hectare. The total production is expected to increase upto 14,880 tons in the near-future; whereas only 2,300 tons or 16 per cent of the total, can be handled by GAKOPERTA (Union of Agricultural Cooperatives) in East Java for export. The reasons why cooperatives are not in a position to deal with larger amounts of maize at present are: firstly, the farmers cannot afford to consign their maize production to the cooperatives because they are compelled to bargain it away to the private merchants long before the harvest is due. This is the only way in which they can obtain ready cash, which they urgently need for their livelihood as most of the farmers are extremely poor, and secondly, GAKOPERTA is short of funds and as a result is not able to buy additional stocks of maize, beyond the amounts collected by way of credit recovery. A recent decision of the Government of Indonesia has deprived the cooperatives of their share of the money realized from farmers by sale of fertilizers obtained as gift from Japan. In spite of their close association with the project, the position of cooperatives in this area is still very precarious.

Benefits of Trade Across National Boundaries

25. International trade has been given a very important place in the national economies of the developing countries. In the International forums such as UNCTAD, GATT, and the Regional Economic Commissions of the United Nations, trade by developing countries is the main topic for discussion. However, in spite of all that is being done at international and national levels, the percentage of the global trade handled by the developing countries is ever on the decrease although the volume of trade of most of the developing countries has shown a gradual increase.

26. It is needless to list the benefits of foreign trade as they are so obvious to all those who deal with this subject in one way or the other. But to mention just the most important would not be out of place. The first and the foremost is the earning of foreign exchange which is very vital for developing economies as a favourable foreign exchange position enables them to obtain

capital goods and items of food. The second advantage is the development of industries and agriculture as a result of an increase in the volume of exports. Along with this is the third advantage of improving the quality of products as, without quality control, it is difficult to compete in foreign markets. Foreign trade has invariably resulted in increased opportunities of employment at home, better wages and better living conditions. Lastly, growth in industry and productivity has generally helped most of the advanced countries to take initiatives in promoting advanced research for the improvement of techniques both of production and education.

Problems in respect of Cooperative Trade of Developing Countries

27. While analysing the growth of foreign cooperative trade, we have to bear in mind the difficulties faced by cooperatives in entering a field which was and which, by and large, is still the exclusive operational area of the private companies and government agencies.

Lack of experience

28. One of the most important reasons for the failure of cooperatives to make any significant contribution to foreign trade is their lack of experience in this field. Even a powerful private organisation may find it difficult to enter the field of trade in commodities in which other companies are already trading for a long time. In such a situation, the cooperatives are bound to face great difficulties as they lack the experience as well as the strength which is needed to compete effectively against strong combines and monopolistic groups. The only means of getting a foothold in a foreign market would therefore be, at least in the initial period, a direct contact with a cooperative in another country. There again the terms and conditions of trade will have to be at least on par with those offered by other agencies to the cooperatives with whom the trading activity is to be undertaken. The cooperatives desiring to enter foreign trade markets must be prepared not only to improve their own managerial and business ability to gain entry into the market but also make sure that the terms and conditions offered by them are not less favourable than those of the competitors in the field.

29. Quite often foreign trade operations by cooperatives are undertaken without the existence of necessary pre-requisites, namely, an efficient internal market structure in the country, a strong national cooperative marketing organisation, the availability of efficient trained personnel required for handling trade, the availability of services such as market intelligence, market research and, finally the availability of finance for import and export. The competitive field of foreign trade entails the existence of a very vigilant and efficient cooperative organisation capable of handling all the intricate operations involved. The ever-changing scene of international trade demands on the part of the cooperatives trying to enter it, a very high degree of efficiency and skill. Most of the trading cooperatives may have to reorganise their structures so as to develop the above services and to adopt an aggressive policy of salesmanship, to be able to make an impact on the market.

Government restrictions

30. Another important reason for the insufficiency of coverage by cooperatives is, we are told, the restrictions placed by government on cooperatives which try to enter into foreign trade. These restrictions normally relate to certain commodities or groups of commodities, to the quotas in certain commodities or to countries with which trade cannot be undertaken by cooperatives. The governments will certainly have their own reasons for imposing the restrictions and the cooperatives will have to deal with and seek approval of the governments in order to obtain, wherever possible, the necessary permission. They must accumulate sufficient experience to convince the governments that they will be able to fulfil their obligations under foreign trade agreements efficiently. While it is true that bureaucratic practices make the small restrictions placed by government appear more stringent than they actually are, some of the restrictions may be such that with a proper approach the effect of a number of them can be eased to facilitate operations by cooperatives.

31. Although we would be wrong in under-estimating the difficulties encountered because of government restrictions, it would not be correct to say that the restrictions placed by

government would be permanent impediments in undertaking foreign trade. Mr. Walter Eisenberg, discussing government restrictions in his Trade Survey Report, states: "Considerable though the restrictions and impediments created by official policies are—and I would not wish to minimise the difficulties involved in becoming established and accepted as a bona-fide foreign trader in the eyes, and with the authorisation, of national governments—I am under the impression that *on balance* these problems are perhaps less formidable than those posed by the shortcomings of some of the cooperative organisations themselves. Business efficiency is likely to be the most effective weapon in the struggle to overcome both legislative restrictions and economic barriers".

State Trading Corporations

32. A recent development in the field of foreign trade in developing countries is the emergence of state trading corporations which are generally created to handle trade in essential commodities such as foodstuffs and raw materials. However, in some countries these agencies have enlarged the field of their activity by entering into trade in respect of other commodities thereby reducing the scope of other agencies already in the field. These corporations have not spared even the cooperatives while taking over trade and monopolising the entire operations. In some countries, cooperatives are asked to act as suppliers of export commodities to the corporations and also act as agents for distribution of imported commodities. The main problem faced by cooperatives in this respect is the uncertainty of the whole operation. In the absence of a definite policy of the government, the cooperatives find it difficult to develop trade in respect of certain commodities not knowing when the government will decide to take over that trade.

33. Another difficulty is the question of balance of payments which has been the main reason for cooperatives not being allowed to import consumer and other commodities in their countries although this does not relate to exports. The foreign exchange difficulty will continue to hamper trading activities until the position of the respective countries is improved or a solution is found, through payment arrangements initiated by international agencies like the World Bank or the Asian Development Bank or

perhaps the International Cooperative Bank in such a way as to minimise the foreign exchange difficulties. A majority of the trading cooperatives lack adequate finance for export-import operations as has been evidenced in the case of Thailand maize export to Japan. The lack of sufficient funds restricts the scope of activities of exporting cooperatives as they are not able to have a commanding position over supplies from producers who have to be paid in advance for the delivery of produce for export.

34. In addition to the above, the difficulties mentioned in the Trade Survey Report are: high cost of production; lack of quality control; failure to maintain agreed standards or adhere to arrangements made in other respects of the product; lack of adequate transport and storage facilities, and consequent inability to collect, store and ship produce on a competitive basis and/or at the appropriate time; corresponding short-comings relating to receipt, handling and processing of incoming goods or materials; insufficient cooperative processing facilities for many commodities, thus making cooperatives, and their ability to fulfil contracts, dependent on private firms at some vital stage; limited knowledge of, or even attention to, the development of modern techniques in many fields, such as protective and attractive packaging, bulk handling and collection of many types of products (including liquids), food and produce preservation, control of stocks and of costs, improvement of yields, market intelligence, etc.

Line of future action by developing countries

Action by cooperatives

35. (a) The first and foremost thing is to decide whether the cooperative marketing structure in the country is sufficiently developed to undertake foreign trade. A well-integrated marketing infra-structure is a pre-requisite for efficient foreign trade by cooperatives. Quite often, national or provincial organisations are over enthusiastic about foreign trade and try to take upon themselves responsibilities beyond their capacity. This has to be avoided.

(b) Another thing is to ensure supplies to maintain regular delivery and timely fulfilment of contracts.

(c) Quality control is absolutely essential in foreign trade dealings. If the name of a cooperative is brought into disrepute because of bad quality deliveries, it will not be able to remain in the foreign trade business for a long time.

(d) Market intelligence service is the most neglected field by cooperative marketing societies. Market intelligence is a much wider concept and is not limited to day-to-day market news. It includes, among other things, information relating to import-export regulations in importing countries, climates, habits, preferences of consumers, trade by cooperatives, quality control and information relating to shipping, insurance, container service, storage facilities at both ends and the seasonal variations in demand and supply.

(e) For a smooth foreign trade operation, it is necessary to have, at the disposal of the cooperatives, sufficient working capital. Trading cooperatives should ensure adequacy of funds before committing themselves to other agencies.

(f) Cooperatives, desirous of undertaking foreign trade must have efficient managerial personnel to man their business departments. Even a financially sound and economically viable organisation can come to grief if foreign trade transactions are not handled on an efficient basis. The cooperative organisations should therefore make every effort to get their managerial personnel trained in export marketing before commencing the actual operations.

Action by governments

36. (a) Government policies in respect of trade in commodities handled by cooperatives must be clearly defined so that the cooperatives themselves can formulate their policies and programmes for trade. Decisions by a government department, affecting cooperatives, are frequently modified thereby preventing cooperatives from evolving any long-term trade policy.

(b) State Trading Corporations, undertaking foreign trade in respect of commodities handled by cooperatives, could establish a business link with the cooperatives for ensuring timely supplies and deliveries. If the cooperators deal with separate agencies for different transactions the cooperatives are bound to suffer heavy losses for want of a steady business.

(c) Governments should preferably earmark certain commo-

dities to be handled by cooperatives so that a long-term trade policy could be evolved. However, monopoly operations should be avoided.

(d) Governments should make available to cooperatives adequate finance, at reasonable rates of interest, for ensuring a free flow of working capital. If direct funds are not possible to be given, the cooperative banks should be encouraged to provide the necessary capital against government guarantees.

(e) Governments should grant import-export licences to cooperatives and facilitate the smooth and speedy flow of commodities.

(f) The cooperatives should be provided facilities for training their staff in export marketing.

(g) All other facilities such as storage, warehousing, transport should be made available to cooperatives for their trade operations.

Line of future action by developed countries

37. (a) The cooperative organisations in developed countries, which have a possibility of buying from and selling to developing cooperatives, should try to establish contacts with them and try to understand the nature of their activities. In their search for new products, cooperative products should also be considered.

(b) A direct line of communication must be established between cooperatives in developed and developing countries. This will enable them to identify the areas in which they have a mutuality of interest. At least a part of the trade can be developed on a bilateral basis through this arrangement.

(c) The developed cooperatives should try to give publicity to products of developing cooperatives in their journals and trade publications. They should also provide, if possible, display facilities in their show rooms for products from developing cooperatives.

(d) The trade missions from developed countries should contact cooperatives in developing countries and organise their itineraries in consultation with them.

(e) Other things being equal, the cooperatives in developed countries should give preference for products of cooperatives in developing countries.

Action by governments

38.(a) Governments in advanced countries should grant tariff preferences to goods from developing countries. They should open their markets for goods which are exported by cooperatives.

(b) Training facilities should be provided by governments in advanced countries to management trainees from cooperatives in developing countries.

Action by International Organisations

Governmental

39.1 Apart from securing favourable positions in foreign trade for developing countries the United Nations and its Specialized Agencies such as UNCTAD, GATT and ITC should provide training facilities to technical and managerial personnel working in marketing cooperatives of the developing countries.

Non-Governmental

39.2 Organisations such as IFAP should take up problems affecting farmers in developing countries and represent them in proper quarters. The problems of price and protection to farm products should be looked after by such agencies.

Recommendations to the ICA by various conferences and meetings on the promotion of Cooperative Trade

40.1 The Third Asian Agricultural Cooperative Conference held at New Delhi in January 1967 recommended that the ICA Regional Office should make necessary arrangements for providing training to managerial personnel in collaboration with advanced cooperative movements in developed countries which have good experience in this field.

40.2 The Conference on International Cooperative Trade in South-East Asia organised by the ICA in collaboration with the Central Union of Agricultural Cooperatives in Japan, held in Tokyo during June 1968 has recommended that :

40.2.1 The ICA Regional Office should actively assist the cooperative movements in the Region in establishing joint committees, on a bilateral basis, for the promotion of trade between countries. The broad pattern for such committees should be that of the Japan-Thailand Joint Committee for Maize—see

paragraph above.

40.2.2 The ICA Regional Office should assist the cooperative movements in providing training facilities for personnel engaged in export-import organisations. The training facilities could be provided in the following manner :

- (i) by arranging places in developed movements for cooperative trade personnel for on-the-job training.
- (ii) by assisting national organisations by arranging courses in their own countries with expertise from other countries or international agencies.
- (iii) by assisting in the organisation of training courses in the existing international or national institutes which are engaged in the training of trade personnel.

Recent Developments

41.1 Many of the recommendations of the various conferences are being implemented by the ICA Regional Office which is at present actively assisting cooperative trading organisations in developing countries in their foreign trade activities. A Commodity Conference on Raw Materials for Feedstuffs and Fruits and Vegetables was organised by the ICA Regional Office and Education Centre in 1970 in collaboration with the Central Union of Agricultural Cooperatives of Japan. Many business executives of cooperative marketing organisations participated in this conference.

41.2 Because of the generous support given by member organisations in Japan and Australia, it has been possible for the Regional Office to arrange training programmes for personnel working in cooperative marketing organisations in some of the Regional countries.

41.3 The ICA Sub-Committee for Agriculture and Trade for South-East Asia (SCAT) has, for the last four years, been discussing the proposal for the establishment of a Cooperative Trade Centre in the Region. Since 1971, the proposal was debated in greater detail at the meetings of the Working Group for Trade Promotion (WGTP), which is a sub-group of the SCAT.

41.1 At its meeting held in Bangkok during November 1972 the SCAT decided in principle to establish the Centre in Singapore and appointed a Select Committee to make final recommendations regarding the organisational structure and manage-

ment of the proposed Centre.

41.5 At its meeting held at Singapore in January 1973, the Select Committee made detailed recommendations on the proposal to form a trading company owned by cooperatives named as International Cooperative Trading Organisation (ICTO).

42.6 A draft Memorandum and the draft Articles of Association of the proposed company have been circulated among member Movements in the Region. A final decision on the proposal is expected to be taken in the near future.

PART II

Present Position in Regional Countries

AUSTRALIA

Westralian Farmers Cooperative Ltd. (Wesfarmers)

The Westralian Farmers Cooperative Ltd. (Wesfarmers) has an impressive record of progress during the 57 years of its existence. It is one of the largest Western Australian owned organisations having a turnover in excess of A \$ 100 million. At present the Wesfarmers are engaged in the marketing and export of wool, skins and hides and livestock and meat, supply of merchandise of all descriptions including farm machinery, equipment and tractors, fertilizers, chemicals, hardware, fuels, farm building and general store-keeping lines to farmers, graziers, orchardists and dairy producers. During 1970-71, the Wesfarmers' imports amounted to A \$335,550.

The Wesfarmers is also a leading exporter of certain primary products—in particular fruits and vegetables, whole-milk, stock-feeds, pasture seeds and live sheep, cattle and stud pigs. The value of Wesfarmers exports during 1970-71 amounted to A \$ 3,009,000. This represented an increase of over 37% in value on last year's figure. The Wesfarmers exported to a total of 26 countries. These figures do not include the considerable amount of honey export business done by the Trustees of the Honey Pool of W.A., with which Wesfarmers is closely associated.

Though the total volume of wheat in Australia is handled by the Australian Wheat Board, it has delegated its responsibilities for collection of grain to the Cooperative Bulk Handling Ltd. The Wesfarmers handles more than 26% of the wool at auctions in the State of Western Australia, though it faces, as also the other cooperatives in Australia, severe competition from large non-cooperative buyers and exporters including the foreign trading organisations based in Western Australia. The Wes-

farmers offer the members complete service for the marketing of sheep, cattle and pigs in Western Australia. An export outlet is offered in the shipment of live sheep, cattle and pigs to Singapore. It also handles about 30% of sheep and 21% of cattle and sells more than 60% of the whole milk marketed in the State. In recent years, it has commenced exporting fresh vegetables mainly to Singapore and Malaysia. Limited quantities are also shipped to the Arabian Gulf States.

Fremantle Fishermen's Cooperative Society Ltd.

The Fremantle Fishermen's Cooperative Society has been exporting Raw Rock Lobster Tails and Whole Cooked Rock Lobsters since its formation in 1947. The Society exports mainly to the USA but also to France and South-East Asian countries. During 1970-71, the exports amounted to A \$ 5,552,241. The society imports various requisites needed for fishery purposes.

Though the Society's main export market is the USA, it looks to increased trade with the South-East Asian countries.

The Society finds shipment to Mediterranean countries very difficult as there are no direct shipping services and transshipment of refrigerated cargoes is not desired by shipping companies.

Cooperative Wholesale Society Ltd. (CWS)

The Sydney office established by the English Cooperative Wholesale Society serves primarily as a buying depot to procure Australian products for the British cooperative market. Its principal trade is in canned fruit and the other commodities handled are canned vegetables, canned meats, frozen meat and fresh fruits (apples and pears). Exports to other countries have also been developed, and since 1964 a growing trade in canned fruits has been built up with various cooperative wholesales in Europe. The CWS exports to cooperative wholesale societies in Sweden, Norway, Finland, Iceland, Belgium, Switzerland, Holland, Denmark and France.

Producers' Cooperative Distributing Society Ltd. (PDS)

The main trade of the Producers' Cooperative Distributing Society Ltd. (PDS) is in dairy products and it is claimed to be the largest distributor of dairy produce in Australia, the largest

agent of the Dairy Board, and the biggest fresh fruit exporter.

The PDS conducts both exports and imports. It exported dairy produce, fresh fruit and honey valued at A \$5.3 million during the year ended June 30, 1971, to UK, USA, Europe, Africa, South Pacific Islands, Malaysia, Singapore, Hong Kong, Taiwan, Japan and Arabian Gulf countries.

The PDS imports fishing nets and general fishermen's requirements, vegetable parchment paper, salmon and whisky. For the year ended June 30, 1971, it imported goods valued at A \$300,000 from the U.K.

The PDS has trading relationship with the Overseas Farmers' Cooperative Federations Ltd. London.

The main problems faced by the PDS in foreign trade relate to competition price-wise from other exporters in Australia but more particularly from other nations (New Zealand, France, Holland, etc.). There is no immediate problem due to a world shortage of butter, cheese, milk powder, but in periods of surplus some European countries were heavily subsidizing exporters.

Poultry Farmers Cooperative Society Ltd.

The Society does not conduct any export trade at present. Commodities handled through import include chemicals and feed additives used in the preparation of livestock rations, such as lysine, methionine, yeast, fishmeal and soyabean meal. The society imports fishmeal valued at A\$200,000 annually from Peru, soyabean meal from the USA worth A\$130,000 annually and feed chemicals and additives valued at A\$20,000 to A\$30,000 annually from Japan. The society has established trade relationship with UNICOOPJAPAN, Tokyo. The prospects for future exports, other than to New Guinea, appear to be very limited.

Blue Moon Fruit Cooperative Ltd.

At present the Society is solely a fresh fruit exporter. These are exported to many countries around the world with South-East Asia being an important market for its produce. During the past 15 years, the Society has exported victorian pears, oranges and grapes to four countries in the Region, viz. Singapore, Hong Kong, Malaysia and Indonesia. During 1971, the Society's exports amounted to A\$295,000 to these four countries.

Future trade prospects in the Region are encouraging. Singapore and Hong Kong are rapidly expanding markets with good prospects for the future. Indonesia also has potential as a market for large quantities of fresh fruit. During the next year or so, the Society will be investigating and developing other fruit outlets in Thailand, Philippines and Malaysia.

The most pressing problem associated with the fruit export industry is the extremely high freight rates demanded by shipping companies. This, combined with a lack of suitable reefer space, creates a very serious position in fruit industry.

BANGLADESH

Bangladesh Samabaya Marketing Society Ltd.

The Society, which was set up in 1961, acts as the apex society of primary cooperative marketing societies and undertakes trade in agricultural produce, farm requisites and consumer goods required for use or consumption by its members.

The Society does not conduct any export. The Society has imported potato seeds, betel nuts, G.I. pipes, C.I. sheets, sanitary wares, Horlicks, soyabean oil, and coconut oil valued at Rs. 7,610,229 during the years 1962-63 to 1967-68, from Burma, India, Singapore, Ceylon, UK and the USA.

INDIA

In India, the National Agricultural Cooperative Marketing Federation (NAFED) and a few State-level agricultural cooperative marketing societies are engaged in the export-import activities of agricultural produce. A few processing cooperatives also undertake direct exports.

The export business of cooperatives had recorded a 100% increase in 1966-67 over the previous year. Bulk of these exports are handled by NAFED, the Maharashtra State Cooperative Marketing Federation and the Gujarat State Fruit and Vegetable Marketing Federation. The main commodities exported were pulses, bananas, coconuts, copra cake, onions and fruits and vegetables and wheat mainly directed to markets in the UK, Sri Lanka, Kuwait, Mauritius, USSR, Italy, Denmark, Switzerland, West Germany and Hong Kong. Pulses accounted for Rs. 14 million

constituting the bulk of the exports by agricultural cooperatives and were mainly exported to Ceylon, the UK, Kuwait, Malaysia and Singapore. Bananas, which is the next important commodity in terms of value (Rs. 4.6 million) were exported to USSR, Kuwait, Iran, Bahrain, and Doha, although there has been a decline in the value of exports. The Jalgaon and Gujarat Fruit and Vegetable Marketing Cooperative Federations have shipped consignment of bananas to a number of countries through the State Trading Corporation of India under bilateral agreements between these countries and India. Coconuts worth Rs. 939,000 were exported to W. Germany, while onions valued at Rs. 882,000 were exported to Sri Lanka, Singapore, Malaysia and Doha. Significant increase has also been recorded in the export of copra cake from Rs. 192,000 to Rs. 600,000 and of mangoes from Rs. 31,000 to Rs. 142,000 and a beginning has been made in the export of vegetables to Malaysia and Singapore.

The total value of exports of NAFED during the year 1969-70 was Rs. 56.3 million as against Rs. 34 million in 1968-69. The commodities exported were pulses, onions, chillies, potatoes, kardi extraction meal, etc. to Ceylon, the UK and the USA. European countries, Africa, Australia, Japan and South-East Asian countries.

The Maharashtra State Cooperative Marketing Federation exported onions and garlic valued at Rs. 808,000 during 1968-69 to Arabian Gulf countries, Malaysia, Singapore, France and E. Germany.

The Gujarat State Cooperative Marketing Society Ltd. exported 1,407 metric tonnes of cottonseed de-oiled cake valued at Rs. 700,000 during 1970 to the UK and Czechoslovakia. It imported 12,200 kgs. of chicory seeds valued at Rs. 440,000 during 1970, from W. Germany, Belgium and Holland through the National Agricultural Cooperative Marketing Federation Ltd.

The Gujarat State Cooperative Fruit and Vegetable Marketing Federation exported during 1969-70, 3,481 metric tonnes of bananas valued at Rs. 3,117,000 to Kuwait, Bahrain, Dubai, and Doha, 4,883 baskets of mangoes valued at Rs. 272,600 to Kuwait, and Iran, and small quantities of oranges, coconut, papaya, lady finger, cucumber and beans to Iran and Kuwait. During 1970-

71, the Federation exported 20,346 tons of bananas valued at Rs. 2,168,000 to Kuwait, Bahrain and Dubai.

The Society feels that the prospects of banana exports to Japan are very bright.

The MARKFED Vanaspati and Allied Industries has been exporting groundnut extraction meal since 1967. During the period 1967-68 to 1970-71, the Society exported 17,045 metric tonnes of groundnut extractions valued at Rs. 11,449,000 to the UK, Hungary, Czechoslovakia, Poland, Bulgaria, German Democratic Republic and the USSR. The future prospects for the export of groundnut extractions are very slim, since the UK buyers are offering very low price, the freight rates have gone up since December 1970 and Japan is reluctant to purchase groundnut extractions from the Indian market due to fear of Aflatoxin.

The Kerala State Handicrafts Apex Cooperative Society Ltd. exported handicraft articles,, such as wood and ivory carvings, koragrass mats, bell-metal items, palm fibre mats, coconut shell products, cane and bamboo products, papier mache articles, etc. valued at Rs. 1,275,000 to Canada, Japan and the USA during 1970-71. The Shertallai Coir Mats and Matting Cooperative Society Ltd. has been exporting coir products, viz. coir mats, coir mattings, coir rugs and coir carpets since 1959. During the year 1970-71, the Society exported coir products valued at Rs. 1,057,240 to Holland, the UK, W. Germany, USSR, Iraq, USA, Denmark, France, Belgium, Canada and Hong Kong. The only cooperative to which the Society has exported coir door mats during 1970-71 is the FDB in Copenhagen.

INDONESIA

The commodities which have been exported by cooperatives are: copra and rubber to Europe, Singapore and Hong Kong, tobacco to W. Germany, hides and fish to Singapore and Malaysia and vegetables to Singapore, and maize to Japan.

The cooperatives which are active in export trade are: (a) copra cooperatives under the guidance of the IKKI (National Federation of Copra Cooperatives); (b) rubber cooperatives under the leadership of IKKA (National Federation of Rubber

Cooperatives (c) fishery cooperatives under the leadership of IKPI (National Federation of Indonesian Fisheries Cooperatives), (d) Federation of Tobacco Co-operatives; (e) Cattle Breeding Cooperatives and (f) Vegetable Growers' Cooperatives.

GAKOPERTA (East Java Provincial Agricultural Co-operative Federation) has been exporting maize to Japanese co-operatives since 1968. It exported 900 metric tonnes of maize to UNICOOPJAPAN during 1970-71.

Although many cooperatives are in a position to export their own members' products, their weak financial position, especially in the collection, storage and processing operations does not enable them to handle a substantial portion of export of these commodities.

Not many cooperatives in Indonesia are engaged in import activities, although the acquisition of an import licence is not difficult. Agricultural, fishery, batik, textile and consumer cooperatives are in need of many imported goods such as raw material, capital goods, engines and spare parts, clothing material and consumer goods. Few of these items are imported by the concerned cooperatives themselves and rest are acquired through private importers.

IRAN

The Sepah Consumers Cooperative, being a consumer society, caters to the requirements of its members. The Society's only direct import is tea. Foreign tea is also bought by the Society in Iran. The other imported commodities bought by the Society in Iran are white cheese and butter from Bulgaria, pencils and umbrellas from Czechoslovakia, domestic electrical appliances from the USA, Europe and Japan, etc. At least some of the goods from Czechoslovakia come from UNICOOP which is a trading subsidiary of the Cooperative Movement.

The Union of Rural Cooperative Societies of Maragheh is affiliated to the Central Organisation for Rural Cooperatives of Iran. The Union has been engaged in the export of sultanas and raisins since 1961. During the period 1962 to 1971, it exported sultanas and raisins valued at US\$ 183,650 to a State Trading Organisation of the USSR.

JAPAN

In Japan, the ZENHANREN (National Marketing Federation of Agricultural Cooperative Associations), HOKUREN (Hokkaido Economic Federation of Agricultural Co-operative Associations), and UNICOOPJAPAN are engaged in international trade in agricultural and other commodities. ZENHANREN has exported fresh fruits, vegetables and processed farm products to consumer cooperatives in W. Germany, Sweden and other countries, and mandarin oranges to Canada and the USA. HOKUREN exports beans, peppermint, etc. produced by its members. UNICOOPJAPAN has exported fertilizers agricultural chemicals, transistor radios, toys, cloth, knitwear, tyres, tableware and a variety of other products. Its imports mainly consist of raw materials for feedstuff, such as maize, milo and molasses. About 20% of the grain imported by UNICOOPJAPAN on behalf of ZENKOREN (National Purchasing Federation of Agricultural Cooperative Associations) is from cooperative sources, whereas all supplies of maize from Thailand are through a cooperative organisation.

UNICOOPJAPAN has a barter agreement with Centrosoyus of the USSR, under which it imports, among other things, logs and agricultural products, and exports textile goods, tyres, transistor radios and vegetables. It imports tractors from UNICOOP of Czechoslovakia, and exports to them transistor radios and other electrical equipment. The imports of UNICOOPJAPAN for 1970 amounted to US \$92.94 million and exports to US \$6.95 million.

On March 30, 1972, ZENKOREN and ZENHANREN were dissolved and simultaneously a new organisation with the name of ZENKOKU NOGYO-KYODOKUMIAI RENGOKAI (ZEN-NOH) (National Federation of Agricultural Cooperative Associations) was established by amalgamating the two organisations.

The Japan Cooperative Trading Company (COOPTRADE), the foreign trade organ of the Japanese consumers cooperative movement, is engaged in both imports and exports. Its main imports are: logs, marine products, metal products and ore, agricultural products and foodstuffs, and the important items of export are: knitwear, cloth, yarn fishing nets and ropes, automo-

bile tyres, wire fencing, wire ropes, tin plate, fertilizers, sewing machines, medical instruments, electronic testers and porcelain-ware. Items of export are purchased from private manufacturing plants.

The cooperative organisations in Europe with whom COOPTRADE has so far established foreign trade relationship are KF of Sweden, GEG of W. Germany, CWS of England, POLCOOP of Poland and NKL of Norway.

The annual turnover of COOPTRADE is about US\$ 8 million.

REPUBLIC OF KOREA

The National Agricultural Cooperative Federation (NACF), together with its member cooperatives has been engaged in marketing of agricultural products although the cooperative marketing operations have largely been influenced by governmental policies. Many of the major items being marketed through the cooperative channels, such as cocoon, rice and barley, sweet potatoes, straw goods and some industrial raw materials are placed under government regulations. Cooperatives themselves have also strived to develop their own marketing on the basis of self-financing in such commodities as grains, vegetables, fruits and eggs.

Although foreign trade business generally requires a governmental licence, the NACF or agricultural cooperatives do not require it as they are authorised to engage in foreign trade under the Agricultural Cooperative Act. The NACF mainly exports red beans, rush goods, pickles, mushroom (canned and dried), seed corn, and imports agricultural chemicals, vegetable seeds and milch cows. The imports totalled US \$ 12,016,000 in 1971 as against US \$ 8,038,000 in 1970. Its export operations were started in 1965. Total exports in 1970 were only US \$ 566,400 which increased to US \$ 1,777,728 in 1971.

The problems faced by NACF in promoting exports are: (i) the competition from the private traders who offer higher prices to producers than cooperatives; (ii) lack of adequate knowledge of the techniques of export marketing of agricultural produce, such as quality control, standardisation, packaging, etc. and (iii) lack of market information, particularly with regard to trade by cooperatives in other countries.

MALAYSIA

During 1946-47, quite a few consumer cooperative societies were established with the help of the government mainly because of the shortage of consumer goods soon after World War II and the subsequent exploitation by private traders. Though there were varying degrees of successes and failures, the consumer cooperatives performed the useful function of making available essential commodities to members and thus helping to keep the cost of living at a reasonable level.

In 1949, the Malayan Cooperative Wholesale Society (MCWS) was established to supply consumer goods to retail societies. During the early and mid-fifties, the MCWS experienced considerable difficulties in obtaining sufficient quantities and the right quality of imported goods. This was due mainly to a world-wide shortage of consumer goods and formation of groups by pre-war importers to exploit or to create artificial shortages to justify charging of high prices. Attempts of the MCWS to import directly were not very successful as the quantity ordered was either not large enough for the exporter or if the order was concluded and goods imported, they faced a keen competition and price under-cutting from the private trade in the country. The MCWS did experiment in importing directly from cooperative wholesales in the U.K., but the goods so imported did not prove popular in Malaysia. Most of the imported goods stocked by the MCWS are, therefore, bought from local importers because of the small volume of its requirements and it has not been found economical to import directly.

In May 1973, the Malaysian Cooperative Supermarkets Society Ltd. (MCSS) was established at Kuala Lumpur. The MCSS plans to set up cooperative supermarkets in various townships of Malaysia dealing in food and non-food items and to run restaurants. Initially, the MCSS will run an 'emporium style' retail business as its first outlet in Petaling Jaya.

The MCSS plans to establish contacts with cooperative organizations in all parts of the world for procuring its requirements of consumer commodities.

Malaysia has practically no cooperative which can undertake the export of agricultural commodities.

PHILIPPINES

The Central Cooperative Exchange, Inc. (CCE) is the national marketing federation of agricultural cooperatives, which are known as FaCoMas (Farmer's Agricultural Cooperative Marketing Associations). The CCE operates a tobacco redrying plant and is currently engaged in the domestic marketing and export of tobacco.

The Filipino Cooperative Wholesale Society, Inc. (FCWS) is the national organisation of non-agricultural societies consisting mainly of consumer, industrial and service primary societies. The FCWS buys commodities both from local and foreign sources and distributes them exclusively among its members at nominal profit. It imports canned fish, canned meat, dairy products, canned fruits, paper and school supplies from the USA, Australia, New Zealand, Holland, Denmark, Argentina and Japan. Its annual imports amount to US \$200,000. From the same countries, it imports woodcraft machines and tools, shoe-making machines, chemicals, leather and rubberised canvas, furniture hardware, radio and T.V. parts, etc., for service and industrial cooperatives at an yearly average of US \$400,000. Although the FCWS has not been engaged in the export trade, some of its societies have been exporting wood or rattan furniture and woodcrafts to the USA, Australia and the U.S. Bases in the Pacific. However, it is ready to export leather shoes, bags, ladies and children's dresses, handkerchiefs and industrial adhesives. The FCWS is also interested in offering its services for the export of sugar, copra and oil, tobacco, veneer sheets, cocoa, abaca and bananas; and will gladly assist importing cooperatives in other countries.

The Sugar Producers' Cooperative Marketing Association, Inc. (SPCMA) is a cooperative association of sugarcane planters in the Philippines. Its main business is the export marketing of sugar. SPCMA is not directly involved in sugar milling. It exports about 200,000 metric tonnes of sugar annually to the USA amounting to US \$ 15 to 20 million.

The imports of the SPCMA include fertilizers and agricultural chemicals, farm machinery, raw materials and machinery for fertilizer plant, machinery for sugar industry and livestock. These items are imported from W. Germany, Japan, France,

USA, Israel and a few other countries. The SPCMA imports goods at an annual volume of US \$ 5 to 6 million, the bulk of which are fertilizers. The SPCMA has not encountered any impediments regarding its foreign trade with other countries, and conducts all foreign trade openly under its "cooperative" name.

The Philippine Producers Cooperative Marketing Association, Inc. (PHILPROCOM) is a member of the Central Cooperative Exchange. It imports fertilizers from Japan, Europe, Canada, USA and Israel; agricultural implements and tractors from Europe and power tillers and irrigation units from Japan and W. Germany.

It exports sugar only to the USA. The Association is not engaged in sugar milling. No barriers have been encountered in foreign trade on account of the cooperative character of the organisation.

SRI LANKA

Northern Province Fishermen's Cooperative Societies' Union Ltd.

The Union has been exporting beche-de-mer since 1962. Exports of shark-fins, fish-maws and conch-shells have been undertaken by the Union since 1967. During 1971, the Union's exports consisted of 102 metric tonnes of beche-de-mer valued at Rs. 850,000 to Singapore, and 13 metric tonnes of conch-shells worth Rs. 23,000 to India and Bangladesh. The Union has, since 1963, the monopoly export rights for beche-de-mer from Sri Lanka.

The Union has established trade relationship with two cooperative organisations in Bangladesh for the export of conch-shells. In India, the Union exports conch-shells to a semi-governmental organisation in Calcutta.

In addition to the above products, the Union is desirous of exporting prawns, lobsters and cuttle fish.

The Union supplies occupational requirements of fishermen such as fishing gear, spare parts, diving equipment, etc. It imports cast-iron pans from Singapore for beche-de-mer fishermen. It also provides credit facilities for export activities.

The Union still follows the traditional method of processing beche-de-mer. However, if modern methods of processing are

introduced, the quality of beche-de-mer would improve. The Union lacks the technical know-how and finance for setting up such a processing factory.

THAILAND

The Cooperative Marketing and Purchasing Federation of Thailand Ltd. (CMPF) was established in Bangkok during August 1969 by reorganising the former Cooperative Wholesale Society of Thailand. The CMPF has taken over the task of exports of agricultural products including maize to Japan from the Bangkok Cooperative Farm Products Marketing Society Ltd. (COPRODUCT). The COPRODUCT now conducts the domestic marketing of salt. The CMPF exports maize, sorghum, black matpe, etc., to cooperatives in Japan, and imports agricultural requisites from UNICOOPJAPAN, Tokyo. At the initiative of COPRODUCT and ZENKOREN and UNICOOPJAPAN both of Japan, a Joint Committee on the Promotion of Cooperative Trade between Japan and Thailand was constituted in 1964. It meets every year to fix the target for the collection of maize and other agricultural products by the CMPF, requirements of CMPF for finance for the collection of maize, etc., import of agricultural requisites by CMPF from UNICOOPJAPAN and other collaboration matters.

Exports of maize to Japan are gradually increasing. During 1969, the CMPF exported 51,000 metric tonnes of maize to UNICOOPJAPAN against 28,000 metric tonnes in 1968.

PART III
Statistical Tables

AUSTRALIA

**Westralian Farmers Cooperative Ltd.,
 Perth**

Exports—1970-71

Commodity	Value A\$
Fruit and vegetables	1,667,000
Meat and livestock	1,144,000
Dairy produce	93,000
Pasture seeds	31,000
Other produce	74,000
TOTAL	3,009,000

**Export of Live Sheep to Singapore
 1968-69 to 1970-71**

Year	Turnover	Nos. shipped	Average landed value A\$
1968-69 ..	5,64,996	55,333	10.21 c & f
1969-70 ..	2,02,000	19,738	10.23 ,,
1970-71 ..	4,63,000	47,339	9.78 ,,

Westralian Farmers Cooperative Ltd. (Contd.)**Imports**

Year	Commodity	Value A\$	Countries of origin	Imported on behalf of
1971	Heavy earth moving machinery	126,790	USA	Wesfarmers Tutt Bryant Pty. Ltd.
	Tractors/ agricultural machinery	7,822	USA, UK.	Wesfarmers Machinery Department
	Grass Seeds/ Clovers	11,061	USA, UK, New Zealand, S. Africa.	Wesfarmers Merchandise Department.
	Wool Packs (plastic), corn sacks, fertilizers	169,236	USA, Japan, Pakistan.	-do-
	Farmers' Hardware	978	UK, Belgium.	-do-
	Stock Feed Components	11,415	USA, Peru, S. Africa	Wesfeeds Pty. Ltd.
	Fruit case packaging	1,800	Norway, Sweden, New Zealand.	Wesfarmers Fruit Export Department
	Chemicals and Plant	4,957	Italy, France, Japan, S. Africa.	Liquid Air Western Australia Ltd.
	Cylinders, Gas, Equipment	1,448	Sweden, U.K.	Wesfarmers Kleenheat Gas Pty. Ltd.
	Yoghurt samples	43	U.K.	Masters Dairy
TOTAL		335,550		

BANGLADESH

**Bangladesh Samabaya Marketing Society Ltd.,
Dacca.**

**Imports
1962-63 to 1967-68**

Commodity	Value Rs.	Origins
Potato seeds	4,448,191	India and Burma
Betelnuts	40,000	Burma, Singapore and Sri Lanka
G.I. Pipes	71,864	U.K.
C.I. Sheets	2,674,450	U.S.A.
Sanitary wares	199,579	U.K.
Horlicks	24,094	U.K.
Soyabean oil	77,000	U.S.A.
Coconut oil	77,051	Sri Lanka

INDIA

National Agricultural Cooperative Marketing Federation Ltd.,
New Delhi.

Exports
1968-69 to 1970-71

Year	Commodity	Quantity M/tonnes	Value Rs. (million)	Destinations
1968-69	Pulses	16,968	26.058	UK, Sri Lanka, Singapore, Malaysia, Hong Kong, Kenya, Mauritius, Kuwait, UAR, Iran, Ethiopia.
	Pulses	2,035	3.183	on STC account
	Big onions		1.280	Sri Lanka
	Red onions		0.384	Sri Lanka
	Chillies		3.100	Sri Lanka
	Garlic		0.024	
1969-70	Agricultural commodities including potatoes and kardi extraction meal	—	56.30	Sri Lanka, UK, Kuwait, Malay- sia, Singapore, Mauritius, Japan, Australia, Kenya, Ethiopia
1970-71	-do-	—	52.50	-do-

UNICOOPJAPAN
TOKYO.

36

Annual Import (Contract Basis) (By Commodity)

(Unit : \$1,000)

Commodity	Main countries	Qty. unit	1970		1969	
			Quantity	Value	Quantity	Value
Maize	USA, Thailand	M/T	554,698	37,807	459,750	27,987
Milo	USA, Argentina	"	425,215	26,156	483,575	28,835
Alfalfa Meal Pellet	USA	"	106,226	6,598	83,770	5,135
Oats	Australia	"	42,362	2,604	59,460	3,019
Wheat	Canada, Australia	"	4,740	395	5,800	467
Soya Bean	China	"	27,626	4,068	20,712	2,679
Dried skim milk Powder	New Zealand, Australia	"	9,396	2,585	3,895	665
Wheat bran	Philippines, Argentina	"	25,481	1,835	11,080	730
Molasses	Thailand, Indonesia	"	24,400	915	85,165	3,588
Fish meal	Peru	"	9,105	1,937	12,841	2,375
Soyabean Meal	USA, China	"	8,600	931	4,200	476
Beet Pulp	China	"	3,200	179	3,000	211
Groundnut meal	China, India	"	1,042	125	1,500	159

UNICOOPJAPAN (Contd.)

Commodity	Main countries	Qty. unit	1970		1969	
			Quantity	Value	Quantity	Value
Other beans	China	"	1,297	316	980	212
Chrysalis meal	China	"	300	55	950	161
Whey powder	Netherlands, Canada	"	150	46	100	28
Other feedstuffs	USA, Canada	"	16,520	1,952	7,527	638
Apatite	North Vietnam	"	1,906	27	500	7
Wheel tractor & parts thereof	Czechoslovakia	"	—	59	—	2,604
Pellet mill & parts thereof	USA			130		304
Agricultural machines	Czechoslovakia			105		10
Other machines	Hungary			2		
Lumbers	USSR	M ³	60,090	898	68,500	808
Flax waste	China	M/T	750	144	250	47
Beeswax	Australia	"	25	51	2	4
Straw Braid	China	Bale	180	26	215	30
Pen wool	China	lbs.	3,100	8	13,569	23

UNICOOPJAPAN (Contd.)

Commodity	Main countries	Qty. unit	1970		1969	
			Quantity	Value	Quantity	Value
Other materials	China			326		23
Breeding pig	USA	Head	45	33		
Honey	China, Argentina	M/T	1,964	1,047	1,955	627
Mutton	Australia	"	856	474	1,195	703
Horse Meat	Argentina	"	556	350		
Other meats	China	"		89		37
Dried chestnut	China	"	395	362	110	59
Sheep casing	India, China	HK	81,986	170	117,450	256
Hog casing	China	"	2,300	7	14,275	21
Raisins	China	M/T	140	33	45	13
Other foodstuffs	China	"		99		25
Total				92,944		82,966

Notes : 1. Y360=¥1

2. Quantity Unit M/T —Metric ton
 lbs —Pound
 m³ —cubic meter
 HK —hank

UNICOOPJAPAN
TOKYO.

Commodity	Main countries	Quantity Unit	1970		1969		(Unit : \$1,000)
			Quantity	Value	Quantity	Value	
Rapeseed Cake	Okinawa	M/T	70	7	40	3	
Fodder	Okinawa	"	2,401	125	845	85	
Urea	China, Okinawa	"	116,100	6,095	31,000	1,886	
Ammonium Sulphate	China, Okinawa	"	75,600	2,089	28,000	978	
Compound Synthetic Fertilizer	Thailand, Okinawa	"	19,051	1,487	22,255	1,645	
Ammonium Chloride	China, Okinawa	"	15,000	423	22,000	699	
Potassium Chloride	China, Okinawa	"	1,800	76	1,200	49	
Calcium Cyanamide	Okinawa, Paraguay	"	60	5	50	3	
Ammonium Phosphate	Okinawa	"	130	14			
Potassium Sulphate	Okinawa	"	200	14	300	18	
Calcium Super- phosphate	China, Okinawa	"	600	22			
Agricultural Chemicals	North Korea, Thailand	"		67		10	
Other Chemicals	North Korea, Okinawa	"		1			

UNICOOP JAPAN (Contd.)

Commodity	Main countries	Qty. unit	1970		1959	
			Quantity	Value	Quantity	Value
Radio & parts thereof	Czechoslovakia, U.S.S.R.			152		104
Tape-recorder and the parts	Czechoslovakia			106		53
Adding Machine	Czechoslovakia			8		12
Wrist Watch	Czechoslovakia			34		17
Passenger car and parts thereof	Czechoslovakia			22		404
Agricultural machines	Sweden, Thailand			38		4
Other machines	Okinawa, Australia			126		0.3
Tyre	Czechoslovakia, U.S.S.R.	Set	47,780	2,077	50	
Rain shoes	U.S.S.R., Okinawa	Pair	161,963	177	4,000	6
Rain coat	U.S.S.R., Okinawa	Suit	70,000	245	30,464	195
Other materials	U.S.S.R., Okinawa	M/T		532		734
Onions	U.S.S.R.		70	5	60	5
Oranges	U.S.S.R.				10	2
Apples	U.S.S.R.				270	39
Other foodstuffs	U.S.S.R., Okinawa			4		
TOTAL				13,951		6,951.3

NATIONAL AGRICULTURAL CO-OPERATIVE FEDERATION,
SEOUL.
EXPORTS—1970 AND 1971

Commodity	1970		1971	
	Quantity	Value (U.S.\$)	Quantity	Value (U.S.\$)
Dried mushroom	19,484 kg.	102,476	Hongkong, Japan	33,715
Fresh mushroom	5,895 "	35,436	Japan	27,820
Dent corn seed	55,620 "	9,080	"	47,060
Medical herbs	39,508 "	61,778	"	64,148
Osmond	504 "	1,058	"	"
Rush mat	139,590 sheet	103,063	"	54,158
Grass Cloth Wall Paper	9,725 roll.	30,755	France, Netherlands	25,660
Silk spun yarn	476 kg.	6,248	Japan	10,644
Rakkyo	400,000 "	71,000	"	126,759
Small egg plant	160,000 "	25,606	"	10,854
Salted cucumber	16,830 "	842	"	"
Frozen porksides	64,960 "	36,296	"	"
Artificial pearl	50,000 feet	9,500	"	"
Sweater	66,014 sheet	49,676	"	73,283
Quartzite	1,100 M/T	9,900	"	"
Granite	533 carton	2,099	"	"
Canned kimchi		3,941	U.S.A.	"
Salted burdock			"	"
Radish seed			"	"
Canned mushroom			"	"
Rabbit fur products			"	"
Others		7,646	Japan	"
TOTAL		566,400		1,777,728

NATIONAL AGRICULTURAL CO-OPERATIVE FEDERATION,
SEOUL.
IMPORTS—1970 AND 1971

42

Commodity	1970		1971		Origin
	Quantity	Value (U.S.\$)	Quantity	Value (U.S.\$)	
Milk cow	1,434	1,086,252	1,437 head	1,120,860	Canada
Forage seed	199,637	185,831	205,500 kg.	143,284	U.S.A.
Fish meal	2,162,395 M/T	466,431	2,180 M/T	382,059	Peru
Soyabean meal	2,105,255 M/T	240,067			U.S.A.
Corn meal			97,353 M/T	7,208,044	U.S.A.
Soyabean	12,586 M/T	1,400,260	13,127 M/T	1,729,264	U.S.A.
Dried pepper	1,332,824 kg.	727,151	50 M/T	31,000	Thailand
Rice polished	22,000 M/T	3,212,000			U.S.A.
Sesame	750 M/T	285,250	300 M/T	100,800	Ethiopia
Malting barley			5,100 M/T	480,534	U.S.A.
Office Machine		68,445		760,086	U.S.A., W.Germany
Jute bag, seed, etc.		366,948		64,440	
TOTAL		8,038,636		12,016,371	

SRI LANKA .

**Northern Province Fishermen's Cooperative Societies Union Ltd.,
Jaffna.**

Exports

Year	Commodity	Quantity Metric tonnes	Value Rs.	Destinations
1970	Beche-de-mer	96	700,000	India, Pakistan, Singapore
	Conch-shells	53	218,000	India, Bangladesh
	Shark-fins & fish maws	1.68	35,000	Singapore
		TOTAL	953,000	
1971	Beche-de-mer	102	850,000	Singapore
	Conch-shells	13	23,000	India, Bangla- desh
		TOTAL	873,000	

SOME IMPORTANT ICA PUBLICATIONS

Cooperative Series

1. Economics of Consumer Cooperative by Marian Radetzki, Indian Rs. 3.00
2. Cooperation and Small Industries in South-East Asia by J.M Rana. Indian Rs. 1.50 (*Out of Print*)
3. Farming Guidance in the Cooperative Movement in Japan by S. Miyakawa. Indian Rs. 2.50
4. Farm Guidance Activities of Agricultural Cooperatives. Indian Rs. 10.00
5. Cooperative Education — Progress or Perish by PE Weeraman. Indian Rs. 3.00
6. Education for Agricultural Cooperatives in South-East Asia by JM Rana. Rs. 3.00
7. Key to Household Economy by Margaret D'Cruz. Indian Rs. 3.00
8. Balanced Diet by Dr Bina Poplai. Indian Rs. 12.00
9. Status of Cooperative and Rural Housing Programmes in Bangladesh Today by Lionel Gunawardana & DD Naik. Rs. 3.00

Cooperative Education and Research

10. Cooperative Education in India—An Approach. (*Out of Print*)
11. Manual for Study Circle Leaders. Indian Rs. 5.00
12. Education and Voluntary Movements. Rs. 6.50 (*Out of Print*)
13. Research in Cooperation in India—A Review. Rs. 5.00 (*Out of Print*)
14. Cooperative Education — Report of the International Conference (ICA-NCUI-UNESCO). Indian Rs. 7.50
15. A Model Cooperative Societies Law by PE Weeraman. Indian Rs. 3.00
16. Cooperative Press in South-East Asia. Rs. 2.50 (Mimeographed)

17. Directory of Cooperative Organisations in South-East Asia. Rs. 3.50 (Mimeographed and bound). (*Out of stock*)

18. ICA in South-East Asia—the First Decade by Lionel Gunawardana. Indian Rs. 12.00

Consumer Cooperation

19. Readings in Consumer Cooperation. (Asia Publishing House) Rs. 20.00

20. A Study of Personnel Management in Selected Cooperative Super Markets in India by Ragnar Arvidsson and KK Taimni. Indian Rs. 12.00

21. Sale—A Profile: An Introduction to Sales Management in Retailing by Ragnar Arvidsson and S. Dandapani. Rs. 20.00

22. Business Switch—An Introduction to Business Management in Retailing by Ragnar Arvidsson and S. Dandapani. Rs. 20.00

23. Distribution of Consumer Goods through Cooperatives in Japan by S. Futagami and Ragnar Arvidsson. Rs. 10.00 (Mimeographed)

24. Shop Planning and Management—Report of the International Seminar held in Japan. Rs. 10.00 (Mimeographed and bound)

25. Super Market in Malaysia on Cooperative Lines — A Feasibility Study by Ragnar Arvidsson. Rs. 5.00

26. Consumer Cooperation in the Republic of the Philippines by Ragnar Arvidsson. Rs. 5.00 (Mimeographed)

Publications—General

27. Cooperative Leadership in South-East Asia (Asia Publishing House) Rs. 8.50

28. The Role of Cooperation in Social and Economic Development (Asia Publishing House) Rs. 10.00

29. Agricultural Cooperative Credit in South-East Asia (Asia Publishing House) Rs. 20.00

30. Cooperation in European Market Economies (Asia Publishing House) Rs. 10.00

31. State and Cooperative Development (Allied Publishers) Rs. 20.00

32. Trade Unions and Cooperatives. Rs. 2.00

33. Cooperative Housing. Rs. 1.90 (*Out of Print*)
34. The Role of Cooperatives in Agricultural Development
—ICA/AARRO Conference held in Nepal. Rs. 5.00
35. Cooperative Trade Directory for South-East Asia with
two supplements. Rs. 20.00 per set.
36. Cooperative Management—Report of the Regional Semi-
nar held in the Philippines. Rs. 7.50

Presentation Volume

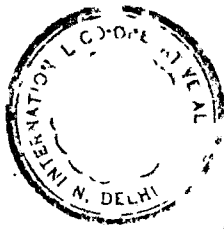
37. Professor D.G. Karve Commemoration Volume—A
collection of his speeches and writings on Cooperation and allied
subjects. Deluxe Bound. Rs. 50.00
38. Amalgamation of Primary Cooperatives—The Japanese
Experience. H.P.L. Gunawardana. Rs. 15.00
39. Readings in Cooperative Housing, (Allied Publishers),
Rs. 20.00
40. "The Needs of the Cooperative Movement of Bangladesh"
Report of the ICA/BJSU National Seminar held in Dacca in
1972. Indian Rs. 10.00

Journals and Periodicals

Annotated Bibliography of Literature on Cooperative Move-
ment in South-East Asia. Issued Half-Yearly.

Documentation Bulletin for South-East Asia. Issued quar-
terly.

COMBINED SUBSCRIPTION:Rs 15/- Yearly



10146

334.025.5:382(5)11.7-75

ICA

THE INTERNATIONAL COOPERATIVE ALLIANCE

is one of the oldest of existing international voluntary bodies. It is a worldwide confederation of cooperative organisations of all types. Founded by the International Cooperative Congress held in London in 1895, it has now 164 affiliates spread over 64 countries and serving over 285 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

Besides the Head Office of the ICA, which is in London, there are two other offices of the ICA, viz., the Regional Office & Education Centre for South-East Asia located in New Delhi, India, and the Regional Office for East and Central Africa at Moshi, Tanzania. The Regional Office in New Delhi was started in 1960 and the office in Moshi in 1968. The main tasks of the Regional Office & Education Centre are to develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to help in the supply of technical assistance, to conduct educational activities for the movements in the Region and to bring out publications on the various aspects of cooperative development.

A greater part of the activities of the Regional Office & Education Centre is supported by the Swedish Cooperative Movement.